

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION JOINT APPROPRIATIONS SUBCOMMITTEE ON HEALTH & HUMAN SERVICES**

**Call to Order:** By **CHAIRMAN DAVE LEWIS**, on February 7, 2001 at 8:00 A.M., in Room 152 Capitol.

#### **ROLL CALL**

**Members Present:**

Rep. Dave Lewis, Chairman (R)  
Sen. John Cobb, Vice Chairman (R)  
Rep. Edith Clark (R)  
Rep. Joey Jayne (D)  
Sen. Bob Keenan (R)  
Sen. Mignon Waterman (D)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Robert V. Andersen, OBPP  
Pat Gervais, Legislative Branch  
Sydney Taber, Committee Secretary

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: Human and Community Services -  
childcare, Child and Adult  
Care Food Program, Public  
Assistance/Self Sufficiency,  
Food Stamps  
Executive Action: None.

**{Tape : 1; Side : A; Approx. Time Counter : 0.3-4.7}**

**SEN. COBB** asked **Director Gray** to investigate the computer problems that agency workers had mentioned and get it fixed. **Director Gray** said that problem is most likely the TEAMS system, which has a lot of problems. **Mr. Hudson** explained TEAMS and that the Department has tried to keep it current to its demands. They

are trying to upgrade it so that it will be able to work with FAIM Phase II.

**{Tape : 1; Side : A; Approx. Time Counter : 4.7-6.7}**

**Pat Gervais, Legislative Fiscal Division (LFD)**, provided a map showing the states with unobligated Temporary Assistance for Needy Families (TANF) funds **EXHIBIT(jhh31a01)**.

**{Tape : 1; Side : A; Approx. Time Counter : 6.7-22.2}**

**Mr. Hudson** offered an apology to anyone that may have been offended by possible breach of confidentiality in case descriptions used by caseworkers in prior testimony. He distributed a document that shows the affect of adjustments to FAIM Phase II to reflect the transfer funds to other divisions to address supplemental issues **EXHIBIT(jhh31a02)**.

**{Tape : 1; Side : A; Approx. Time Counter : 22.2-26.9}**

**REP. JAYNE** asked for clarification on the reduction and MOE for the in-depth assessment. **Mr. Hudson** said the services could be paid for with either TANF block grant money or MOE money. MOE money is targeted for use in areas where the Department is fairly sure that the money will be spent within the fiscal year that it is budgeted in order to meet MOE. In response to **REP. JAYNE's** query regarding the amount of money that is in MOE, **Mr. Hudson** stated that it is roughly \$15 million.

**{Tape : 1; Side : A; Approx. Time Counter : 26.9-38.5}**

**Karlene Grossberg, Public Assistance Bureau Chief**, mentioned that the food stamp act is up for re-authorization at the same time as the TANF program, and there are also several pieces of the Medicaid law that are up for re-authorization. The Division expects to see policy and programming changes as those programs come up for re-authorization. The only general fund in the bureau, for food stamp and Medicaid programs, is used to match administrative costs.

**Ms. Grossberg** explained that the Bureau is investigating a waiver available to raise the amount of income that a person can have before it must be reported as a change, which could save the weekly reporting of small differences. There is also an offer to extend the certification period to six months. These changes would reduce the amount of time spent on paperwork.

**{Tape : 1; Side : A; Approx. Time Counter : 38.5-49.1}**

**SEN. WATERMAN** commented that other states are using income disregards and continuous eligibility, and they found that it streamlines the paperwork. She commented that she was troubled that so much time is spent checking to see if people have \$2 of

interest on a checking account. She wants the Bureau to simplify and streamline so that employees are working to help people.

**Mr. Hudson** stated that the Division researched the extended and continuous eligibility for Medicaid, but it was too costly to be included in the budget. **Ms. Grossberg** commented that there is a 12-month certification for Medicaid and food stamps. The problem arises when family members work varying hours and wages. They are required by federal regulations to report such changes. The Department investigated a 12-month allotment, which is an attractive alternative. Income disregards are a strategy to expand eligibility and to take care of small amounts of income, which is a cost issue.

***{Tape : 1; Side : B; Approx. Time Counter : 0.3-4.3}***

**REP. JAYNE** agreed with **SEN. WATERMAN's** assessment of the situation whereby much money and paperwork is spent on determining that negligible amounts go unclaimed. She suggested that this is the sort of thing that makes clients think that the agency does not care about or want to help people.

***{Tape : 1; Side : B; Approx. Time Counter : 4.3-6.1}***

**Ms. Gervais** mentioned a discussion that she had with a staffer from the National Conference of State Legislators (NCSL), which indicated that most states have undertaken elimination of the asset test as an outreach and expansion activity. However, they probably would not have done this if they still had to collect information for other types of eligibility. She should receive more information on how other states have addressed food stamp issues when they have eliminated Medicaid asset tests. **Ms. Grossberg** commented that in many other states the Medicaid program is operated by the equivalent of Health Policy and Services Division and the food stamp and TANF areas are separate.

***{Tape : 1; Side : B; Approx. Time Counter : 6.1-9.3}***

**SEN. WATERMAN** suggested that this is something that needs to be examined. She has frequently asked why Medicaid determination is done at the local level and CHIP at the state level. It makes much more sense to it all in one place. The government needs to reexamine this operation, and the Department needs to look at more creative ways to do things to get services to people.

***{Tape : 1; Side : B; Approx. Time Counter : 15.3-25.3}***

**Linda Fillinger, Early Childhood Services Bureau**, distributed a narrative on the Bureau **EXHIBIT(jhh31a03)**. She went over the programs involved in Early Childhood Services: the Child and Adult Care Food Program unit (CACFP), the Head Start Collaboration Grant, and the Child Care unit (CC). She reviewed

the history of the Bureau, the services provided, and the eligibility requirements.

As a result of welfare reform, the child care caseload has grown dramatically. The child care block grant is divided into two sections: the Child Care Subsidy program and the Best Beginnings Scholarship program. **Ms. Fillinger** reviewed the details of these programs for the Committee.

**{Tape : 1; Side : B; Approx. Time Counter : 25.3-50.1}**

**SEN. WATERMAN** asked if there is unmet need, to which **Ms. Fillinger** responded that there is. Responding to **REP. JAYNE** regarding the specific services provided by the program under the child care and development block grant, **Ms. Fillinger** explained that direct services payments are made to child care providers on behalf of working families. Families pay a co-payment to the provider and the state makes up the difference. Eligibility for the program is set at 150% of poverty and below (federal poverty level); and there is a sliding fee scale.

FAIM families are the highest priority for services, but the majority of funding goes to help non-FAIM, working families pay for child care. The child care for working families is more expensive because most families are working more hours than the FAIM families, who are mandated to do 30 hours per week. **Ms. Fillinger** went over the eligibility requirements for individuals who receive this service.

**CHAIRMAN LEWIS** asked how often eligibility must be determined due to fluctuations in work hours. **Ms. Fillinger** responded that eligibility redetermination has been changed so that families must report any changes at the end of six months. Should a family lose a job, there is an extension period of two months in which to find a new job. The Department has attempted to stabilize eligibility, but it is costly. The child care subsidy program receives TANF transfers which have enabled the Bureau to not have waiting lists, but there is a limit on the amount of money that can be transferred to child care. **SEN. WATERMAN** asked if there is a waiting list and if the Bureau anticipates that it will have one in the next biennium. **Ms. Fillinger** answered that there is not a waiting list now, but that projections indicate that in 2003 there could potentially be a waiting list. **SEN. WATERMAN** asked if the state could draw down another \$4.5 million in child care if the state match is put up, and **Ms. Fillinger** responded that is correct.

**REP. JAYNE** asked if the distance creates delay in services at the Nurturing Center in Kalispell serving Lake County, and **Ms. Fillinger** responded that she does not believe that is a problem

since applications are submitted through the mail. She touched on child care block grant services available for tribal members.

**{Tape : 2; Side : A; Approx. Time Counter : 3.0-}**

**Ms. Fillinger** presented brochures on the Best Beginnings Quality Child Care Initiatives **EXHIBIT(jhh31a04)** and **EXHIBIT(jhh31a05)**.

**Ms. Fillinger** went over the spending projections for FY02 and reviewed the decision packages that the Bureau is proposing.

**{Tape : 2; Side : A; Approx. Time Counter : 15.2-27.6}**

**Ms. Fillinger** continued her presentation with the Head Start Collaboration Grant, which comes to the state as 100% federal funds, and links Head Start to other state services that are available.

**SEN. WATERMAN** asked if the state funds full-day programs to which **Ms. Fillinger** responded that it does, but the majority are part-day programs. She reviewed the different types of Head Start models in the state and the eligibility requirements and the eight target areas for the collaboration grant. **Ms. Fillinger** then went over the decision packages involved in this program.

**{Tape : 2; Side : A; Approx. Time Counter : 27.6-51.6}**

**Ms. Fillinger** continued her presentation with the child and adult care food program, which is a federally funded entitlement program. All children participating in eligible child care institutions are eligible for the service. CACFP reimburses family child care homes and child care centers for the cost of food and preparation. It also provides nutritional training to child care providers and on-site assistance for all enrolled child care providers. **Ms. Fillinger** went over the funding requests of this program.

**SEN. WATERMAN** asked why so few adult day care centers participate in this program. **Ms. Fillinger** responded that the Department made a concerted effort to enroll adult day care centers and assumes that the reason that people have not enrolled is the paperwork and the relatively small reimbursement. **Mr. Hudson** commented that most place that do adult day care are also eligible for commodities, so they may opt for that instead. For child day cares, it is an either or situation, and most child care providers have chosen reimbursement.

**{Tape : 2; Side : B; Approx. Time Counter : 0.3-4.1}**

**Chris Hettinger, Program Manager for the Sponsors of Day Care Homes**, explained that the reimbursement for food for the CACFP includes a cash in lieu of commodities portion for every lunch

and supper served. Adult day care centers were recently canvassed, of the 17 centers contacted, none chose to participate in the program. Two intergenerational sites expressed interest and were signed up, but there was no follow through, and she believes that the paperwork was the issue. An independent day care center signed up and a contract was ready to sign, but they determined that the paperwork was too great. **SEN. WATERMAN** asked if the resource and referral providers help the child care providers do the paperwork.

**{Tape : 2; Side : B; Approx. Time Counter : 4.1-39.9}**

**Jim Nolan, Intergovernmental Human Services Bureau Chief,** presented goals and funding sources of the Bureau **Exhibit (5)**. Most programs in this Bureau are operated through contracts with Human Resource Councils (HRDC); the Bureau has very few FTE and feels that contracting services has worked well. Most people receiving energy assistance are the working poor, the elderly, and the disabled.

**Mr. Nolan** explained the development of leveraging opportunities whereby the Bureau works with power and energy companies to provide energy discounts to low-income people. He also went over the details regarding block grants, outreach, the LIEAP program, the Montana Reach Program, and the weatherization program. There are various funding sources for the programs and some partnerships with utility companies for discounts and weatherization projects.

**{Tape : 2; Side : B; Approx. Time Counter : 39.9-51.6}**

**SEN. WATERMAN** asked if Pacific Power and Light (PPL) would participate in the programs. **Mr. Nolan** stated that conversations with them indicated that they intended to continue the arrangement.

**Mr. Nolan** added that the Bureau received a federal grant to become the regional training center for the Denver region. The Bureau contracts with Montana State University to do the weatherization training for the Bureau and the HRDC staffs in the field. He reviewed the Community Services Block Grant program, which is 100% federally funded and is contracted to HRDC's.

***The tape jammed in the machine. Remainder is taken from notes.***

**Mr. Nolan** summarized the Homeless Program which contracts to HRDC's to improve the quality of emergency shelters and the Continuum of Care program, which helps communities to develop long-term solutions to homelessness. In addition, **Mr. Nolan** reviewed the various food distribution programs. **Mr. Nolan** explained that the commodities program has become more user

friendly with more sensible packaging, and discussed with the Committee the Montana Food Bank Network program. He went over the 15% cut for the supplemental, in which the commodity program was the main offering.

**Peggy Grimes, Executive Director of the Montana Food Bank Network**, presented a video of the prison cannery to the Committee and provided handouts on the Montana Food Bank Network **EXHIBIT(jhh31a06)** and the prison cannery **EXHIBIT(jhh31a07)**. She went over the operation of the food banks, which provide assistance to those moving off of welfare, the working poor, the elderly, and the disabled.

**ADJOURNMENT**

Adjournment: 11:30 A.M.

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REP. DAVE LEWIS, Chairman

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SYDNEY TABER, Secretary

DL/ST

**EXHIBIT** (jhh31aad)